basis also contributed to shortfall in production as a result of agitational approach by concerned Unions •

Statement

(Rs. in lakhs)
Profit (+)/Loss (—)

Nane of constituent Companies of BBUN	1986-87 (Actual)	1987-88 (Provisionnl)
Jessop & Co. Ltd.	(—) 80.18	(--)103.00
Braithwaite & Co. Ltd. . . .	578.42	Him. 52
Bharat Wagon &Engg.	(+)23l.46	(+)58.0O
Burn Standard Co. Ltd. . . ;	(4)33.53	(-)1079.00
Bharat Process & Mechanical Engineers Ltd. .	(—)549.24	(-)283.17
Lagan Jute Machinery Co. Ltd.	(—)53.75	(—) 83.97
Bharat Bakes & Valves Limited .	(—)3O0.9O	(—)266.03
Weighbird (India) Ltd.	(-) 07.64	(-)101.00
BBJ Construction Co. Ltd. . . .	(-)195.26	(-) 94.34

Bharat Bhari Udyog Nigam Limited ss a holding company

4474. SHRI SAM AR MUKHERJ EE: Will the Minister of INDUSTRY be pleased to state:

(a) what are the objectives in forming the holding company Bharat Bhari Udyog Nigam Limited;

(b) whether the said objectives have been fulfilled; if so, what are the details thereof; and

(c) if not, what are the reasons for non-fulfilment of the objectives; and what steps have been taken to achieve the objectives?

THE MINISTER OF INDUSTRY (SHBI J. YENGAL RAO) : (a) to (c) The main objective behind the formation of a holding company was to impart greater autonomy by introducing an intermediate level of management between the Ministry and the companies re-constituted as subsidiaries of the holding company. Under this arrangement, the interface between the Government and the subsidiary companies is minimum without sacrificing the essential need for coordination of the operations of the companies. It was envisaged that there should be centralised policy making and de-centralised operational activity. The holding company is to be essentially a policy making body of the subsidiary companies stimulating major initiatives for efficient functioning of the subsidiary companies. It would coordinate and decide policies regarding financing, borrowing, investment, budget, product-mix, capacity utilisation, marketing and commerci;! aspects, human resources, research and development, technology absorption, diversification and other policy operations of the subsidiary companies. In brief, the holding company was formed with a view to imparting greater measure of autonomy to increase efficiency and inter-unit coordination. The- holding conpany,

BBUNL, was set up in September, 1986 only. During the short period, the company has taken several measures to achieve the objectives:

(1) All the shares held by the President in the subsidiary companies have been transferred to the holding company.

(2) The holding company has started coordinating the marketing of common products and large turnkey projects where more than one subsidiary is involved.

(3) The modernisation and technology upgradation of the subsidiaries is being given the highest

"... priority and a dialogue has been initiated with the World Bank to obtain funds assistance for the same.

. (4) Steps have been taken to rationalise product-mix amongst the subsidiary companies.

(5) Coordination of the capital investment programme and optimum utilisation of the critical financial resources by avoiding unnecessary duplications.

(6) Human Resources Development including training and re-training of executives and recruitment of some common cadres of executives.

(7) BBUNL has started taking a view on divestment of unviable poducts and facilities.

8) Many financial reliefs have already been granted to the subsidiary companies. The

* holding company is also pursuing a package of financial restructuring-to its subsidiary companies. Arrangements arc also being made to meet the working capital requirement of the subsidiaries.

The task of achieving the objectives of the formation of the holding company is a continuing process for the achievement of which necessary steps have been initiated.

Modernising the Orissa Tele-communication System

4475. SHRI SUBAS MOHANTY: Witl.the Minister of COMMUNICATIONS be pleased to state:

(a) whether Government have any new proposal under consideration to modernise the telecommunication system in Orissa; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMU-NICATIONS (SHRI B1R BAHADUR SINGH) : (a) *Yes,* Sir.

(b) Daring the remaining two y^rars viz. 1988-90 of the current Plan, it has been proposed to modernise the switching systems and the transmission media of Orissa as per the details given below :

1. New 4000 lines E-10B electronic exchange at Bhubaneshwar.
2. Automatisation of the manual exchanges at Koraput (completed), Phoolbani, Joypore (Koraput), Kcndrt-poda, Barbil, Khurada, Burala Hirakund, Bhanjnagar, Jaipur